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DYD-8758-59

23 December 1959

MANAGEASTAN FOR: Chief, Operations Branch, DFD

SILLIBOY : Forecast Overrum on AFG-53A Terrain Avoidance Radar

REFERENCE : DPD-6719-59 dtd 22 Dec 1959 (undistributed)

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1. I have looked over the referenced paper which you signed for and which was intended for Mr. Bissell. I have also discussed it with and our combined opinion is as follows:

- a. Knowing how sensitive Hr. Riscell is to overruns on equipment contracts, I am a little leary of sending this paper along when the only justification for a 30 per cent overrun is that Lockbood has told us that "soverel factors" were such that they were revising their estimate. While I am certain that a formal proposal from Lockheed will contain, hopefully, a few more facts, I suspect that para. 3 of the reference would only produce high blood pressure in the DO/P at the accent.
- b. As a matter of form, rather than substance, I should like to call your attention to the fact that Mr. Bissell has reneged the old Progress Approval, "Activity Progres." This has especial reference to pars. 4 of the domment under discussion.
- 2. In view of the above, I should like to suggest that action to advise Mr. Bissell in detail about this particular overrun be suspended until a formal proposal is received from Lockheed. Unless I hear from you to the contrary, I assume this document will not be proceeding my further.

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Acting Chief. DPD

NED/Admin: JAC/ob

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